VENTURA COUNTY AIR POLLUTION CONTROL DISTRICT

RULE 26.6 -- NEW SOURCE REVIEW – CALCULATIONS

(Adopted 10/22/91) (Revised 1/13/98, 5/14/02)

A. Applicability

This Rule specifies the provisions by which emission increases, emission reductions, and profile checks for offsets shall be calculated. Emission increases and emission reductions shall be calculated separately. Both the emission increase and emission reduction sections shall apply for many cases where an emissions unit is being replaced, modified, or relocated. Only the emission increase section would apply for new emissions units.

B. Potential to Emit

The potential to emit is an emission limit which specifies the maximum quantity of each air pollutant which may be emitted by an emissions unit during a 12 calendar month rolling period. This limit shall be based on any period of 12 consecutive calendar months and shall be expressed in the units of tons per year.

The potential to emit shall be calculated based on the maximum design capacity or other operating conditions which reflect the maximum potential emissions, unless specific limiting conditions on the Authority to Construct and/or Permit to Operate restrict emissions to a lower level. Other operating conditions may include, but are not limited to, production bottlenecks where other equipment may limit the throughput of an emissions unit.

C. Actual Emissions

The actual emissions of air pollutants from an emissions unit shall be calculated based on the actual operating history of the emissions unit. The actual operating history of the emissions unit shall be averaged over a period of two years immediately preceding the date of application to bank emission reduction credits, or a more representative period, as determined by the Air Pollution Control Officer (APCO), of two consecutive years during the five years immediately preceding the date of such application. Actual emissions shall be expressed in the units of tons per year. In no case shall the actual emissions exceed the permitted emissions. If at any time during the specified two year period the emissions unit was operated in violation of any applicable federal, state or District law, rule, regulation, order, or permit condition, then the actual emissions shall be adjusted to reflect the level of emissions that would have occurred if such violation did not occur. Permit conditions and permitted emissions shall only be applicable to emissions units for which a Permit to Operate is required.

D. Emission Increases

1. Emission increases from the addition of a new emissions unit shall be calculated by using the potential to emit for the new emissions unit.

2. Emission increases from a modified or replacement emissions unit shall be calculated as, the emissions unit's post-project potential to emit adjusted to reflect the application of the current Best Available Control Technology minus the emissions unit's pre-project potential to emit adjusted to reflect the application of the current Best Available Control Technology.

3. Emission increases from a relocated emissions unit shall be calculated as, the emissions unit's potential to emit, at the new location, adjusted to reflect the application of the current Best Available Control Technology minus the emissions unit's potential to emit, at the old location, adjusted to reflect the application of the current Best Available Control Technology.

4. Emissions increases from a modified emissions unit where the modification is made for the purpose of complying with regulatory requirements and where there is no increase in throughput shall be calculated as, the emissions unit's post-project potential to emit minus the emissions unit's pre-project potential to emit adjusted to reflect the application of the best control method to comply with the regulation currently available, as determined by the APCO.

5. Emission increases from a modified emissions unit where the modification is made for the purpose of reducing the emission of air pollutants and where there is no increase in throughput, shall be calculated as, the emissions unit's post-project potential to emit minus the emissions unit's pre-project potential to emit.

6. In addition to the emissions increases calculated pursuant to subsection D.2, D.3, or D.4 of this rule, alternative emissions increases shall be calculated for these cases using the emissions unit's pre-project potential to emit with no adjustments. An alternative emissions increase calculated pursuant to this subsection which is greater than the emissions increase calculated pursuant to D.2 D.3, or D.4 shall be substituted for the emissions increase calculated pursuant to D.2. D.3. or D.4 if the alternative emissions increase exceeds 25 tons per year of ROC or NOx or if the APCO determines that the alternative emissions increase would cause or contribute to the violation of a national ambient air quality standard.

7. Notwithstanding subsections D.2, D.3, D.4, D.5, and D.6 of this rule, emissions increases from a major modification shall be calculated as the post-project potential to emit minus the greater of the following:

   a. The emissions unit's pre-project actual emissions, or
   b. The total amount of all emission reduction credits that were used to provide offsets for the emissions unit and that were determined to be surplus at the time of use pursuant to Rule 26.11.B.

E. Emission Reductions

This Section shall be used to calculate emission reductions for the purpose of determining emission reduction credits.

1. Emission reductions which result from the application of control equipment, a modified emissions unit or the replacement of an emissions unit with a lower emitting emissions unit shall be calculated as, the emissions unit's pre-project actual emissions minus the emissions unit's post-project emissions based on the same throughput level as the actual emissions.

2. Emission reductions which result from a reduction in throughput for an emissions unit shall be calculated as, the actual emissions minus the new potential to emit at the proposed throughput level.

3. Emission reductions which result from the shutdown of an emissions unit shall be calculated as, the actual emissions.

4. If emission reduction credits or community emission reduction credits were provided as offsets after October 22, 1991 for the purpose of obtaining a Permit to Operate, emission reductions shall be calculated as follows:

   a. Emission reductions which result from the application of control equipment, a modified emissions unit or the replacement of an emissions unit with a lower emitting emissions unit shall be calculated as the greater of the values calculated pursuant to subsections E.4.a.1) and E.4.a.2).

      1) The emission reduction calculated pursuant to subsection E.1.

      2) The lesser of the two following values:

         i. The total amount of all emission reduction credits and community emission reduction credits provided as offsets since October 22, 1991.

         ii. The emissions unit's pre-project potential to emit minus the emissions unit's post-project potential to emit.

   b. Emission reductions which result from a reduction in throughput for an emissions unit shall be calculated as the greater of the values calculated pursuant to subsections E.4.b.1) and E.4.b.2).

      1) The emission reduction calculated pursuant to subsection E.2.

      2) The lesser of the two following values:

i. The total amount of all emission reduction credits and community emission reduction credits provided as offsets since October 22, 1991.

ii. The emissions unit's pre-project potential to emit minus the emissions unit's post-project potential to emit at the proposed throughput level.

c. Emission reductions which result from the shutdown of an emissions unit shall be calculated as the greater of the two following values:

1) The emission reduction calculated pursuant to subsection E.3.

2) The total amount of all emission reduction credits and community emission reduction credits provided as offsets since October 22, 1991.

d. For the purpose of determining the portion of any emission reduction calculated pursuant to subsections E.4.a, E.4.b, or E.4.c, which shall be returned to the community bank or shall be eligible for banking pursuant to Rule 26.4, the following procedure shall be used. The emission reduction shall be applied:

1) First, to return any community emission reduction credits, which were used to obtain the Permit to Operate, to the community bank.

2) Second, to allow any remaining portion of the emission reduction to be banked pursuant to Rule 26.4.

F. Profile Check for Offsets

Quarterly profiles shall be based on four quarters which shall begin on January 1, April 1, July 1, and October 1, of any calendar year. Quarterly profiles for emission reduction credits and for emission increases shall be expressed in terms of a percentage value for each quarter, where the sum of the percentage values for each quarter is equal to 100 percent. For each quarter the lower percentage value from the quarterly profile of either the emission reduction credits or the emission increase for which the applicant is proposing to utilize the emission reduction credits as offsets shall be summed, and this sum shall be equal to at least 80 percent.